

Minutes

Cabinet

Date: 21 May 2018

Venue: Mezzanine Rooms 1 & 2, County Hall, Aylesbury

Time: 10.30 am to 11.35 am

MEMBERS PRESENT

Mr M Tett (in the Chair).

Mr M Appleyard, Mr N Brown, Mr W Chapple OBE, Mr J Chilver, Lin Hazell, Mr M Shaw and Mr W Whyte

OTHER MEMBERS IN ATTENDANCE

OFFICERS IN ATTENDANCE

Ms R Bennett, Mr R Ambrose, Mrs S Ashmead, Ms R Shimmin and Mr S Chainani

1 APOLOGIES FOR ABSENCE

There were none.

2 DECLARATIONS OF INTEREST

The following declarations of interest were made:

Item 11 – Woodland’s Development

Mr Tett declared an interest as a board member of the Local Enterprise Partnership and Mr Chapple as a local member.

Mr Tett and Mr Chapple both advised that they would leave the meeting when the discussion took place.

3 MINUTES

RESOLVED: The minutes from the meeting held on 23 April were **AGREED** as a correct record and signed by the Chairman.

4 HOT TOPICS

Cabinet's attention was brought to the following:

- **The Cabinet Member for Community Engagement and Public Health** highlighted the Public Health announcement for 'Live Well Stay Well' the following week.
- **The Deputy Leader and Cabinet Member for Transportation** informed Cabinet that he had been invited by Mr Khan to break fast with the Muslim community on Friday 25 May and would also be visiting the mosque in Chesham to meet with the newly elected Mayor.
- **The Cabinet Member for Children's Services** congratulated the Bucks Youth Offending Service on being awarded Quality Lead Status from the Department of Education for their work relating to special educational needs and disabilities.
- **The Leader** highlighted the Government consultation on plastic waste with comments being submitted via the LGA. The Leader also highlighted the ongoing presentations regarding the Oxford to Cambridge Expressway and expressed concern that there had not been sufficient involvement with parish councils and the public.

5 QUESTION TIME

There were none.

6 FORWARD PLAN FOR CABINET AND CABINET MEMBERS

RESOLVED: Cabinet **NOTED** the report.

7 CABINET MEMBER DECISIONS

RESOLVED: Cabinet **NOTED** the report.

8 SELECT COMMITTEE WORK PROGRAMME & INQUIRY WORK PROGRAMME

RESOLVED: Cabinet **NOTED** the report.

9 FINANCIAL SUSTAINABILITY

Mr M Tett opened the item giving the background to the reason for the report. Mr Tett highlighted the following:

- In March the National Audit Office (NAO) published their report “financial sustainability of local authorities 2018”. The report outlined a number of key findings and recommendations for local authorities.
- Growth and demand in Social Care were placing extra pressures on budgets, meaning that there was less money for other services, including roads.
- Buckinghamshire County Council was one of the first local authorities to receive a zero revenue support grant from Central Government.
- The report looked at how Buckinghamshire County Council compared to Northamptonshire County Council following that Council’s recent NAO assessment of its financial stability.
- Buckinghamshire County Council was reviewing lessons learned from the findings and the conclusions of this were set out in the report.
- In summary, the review of the Buckinghamshire County Council’s financial stability had given confidence that they were in a good position.

Mr R Ambrose, Director of Finance and Procurement, attended the meeting and highlighted the following points:

- The report was set out in three areas: the national position, key findings from Northamptonshire County Council best value report, and how Buckinghamshire County Council stood against some of those findings.
- The Chartered Institute of Public Finance and Accountancy (CIPFA) had also commented on the findings and confirmed that it intended to look at a new code of practice within the area.
- The report provided assurances on Buckinghamshire County Council financial position and lessons that could be learnt.
- Mr Ambrose highlighted that Buckinghamshire County Council had healthy reserves, were in a four year balanced budget position, had a strong record to manage spend and strong Member input and challenge.
- The Council were experiencing pressures within Adult Social Care and Children’s Services and weekly budget meetings were being held within these areas.
- The Council had commissioned a review of financial management arrangements which while it showed areas of good practice also identified improvements which were now in the process of being implemented.

Members raised and discussed the following points:

- The importance of being open and transparent with residents on the Council’s financial position.

- Members were pleased that independent ratification of the financial stability of the Council had been sought which would reassure residents, particularly after recent incorrect reporting in the press of a budget deficit.
- Members noted the increase in levels of reserve and the excellent performance in income generation which was over the budgeted level for last year.
- The financial strength of the Council had allowed Members to release £1.2m from general reserves for road maintenance.

Recommendations

- 1. Cabinet were asked to NOTE the contents of the report and the appendix, including the on-going work around further strengthening financial management arrangements across the authority.**
- 2. Cabinet were also asked to NOTE that it is imperative that the authority retains a strong financial grip in the run up to the potential creation of unitary local government for Buckinghamshire.**

RESOLVED: Cabinet NOTED the contents of the report and that it was imperative to retain a strong financial grip in the run up to the potential creation of a unitary local government for Buckinghamshire.

10 OUTTURN 2017/18

Mr R Ambrose, Director of Finance and Procurement, attended the meeting. The report was a quarterly report to Cabinet outlining the revenue and capital outturn position for the financial year 2017/18. Mr Ambrose reported that there was an overall underspend last year and some capital slippage.

Mr J Chilver, Cabinet Member for Resources, highlighted the following points to Members:

- The overall revenue outturn was an underspend of £2.89m, comprising portfolio overspends of £0.82m offset by an underspend of £3.71m in corporate costs.
- Whilst most Portfolios had come close to break-even, there were significant variances within Children's Services and Planning & Environment.
- General Fund balance had increased to £27.4m.
- Income was reported as £6.1m against a target of £5.7m.
- There was an overall underspend / slippage of £23.9m (18%) of which £5.1m was the underspend on Orchard House and £1.7m related to the third lift at County Hall.
- There was a total of £7.9m unreleased capital budget across the Authority, reflecting schemes which had yet to satisfy criteria for the release of funding.

Members raised and discussed the following points:

- The Leader praised Cabinet Members for the income generation performance within their portfolios and acknowledged all the work by Officers to get the Council to that position.
- Members recognised the challenges within Children's Services with more demand and the nature of cases being more complex. Work was ongoing to reduce the costs in placement of looked after children and the Council had recently agreed funding for a project to bring looked after children back in County where possible.
- The green star for Capital seemed misleading as reporting a slippage and the need to understand what the pressures were that caused slippages. Mr Ambrose stated the green rating was due to the reported underspend however there was a proposal going to the Asset Strategy Board that any underspend on capital would be reported as amber going forward.
- Members discussed the need to monitor any slippages throughout the year so this could allow more money to be spent elsewhere. Mr Chilver confirmed that the Asset Strategy Board did monitor throughout the year and worked with business units to identify any projects that could be brought forward.

Recommendations

1. **Cabinet to NOTE the year end outturn for revenue and capital budgets and discuss areas of concern.**
2. **Cabinet to RECOMMEND that portfolio overspends and underspends from 2017/18 financial year are not carried forward.**

RESOLVED: Cabinet AGREED the recommendations.

11 WOODLANDS DEVELOPMENT AND EDUCATION CONTRIBUTIONS

Mr Tett and Mr B Chapple left the meeting and Mr M Shaw took the role as Chairman.

Mr Shaw introduced the item and highlighted that the Aylesbury Woodlands Development, Aston Clinton, would provide the funding mechanism to underpin the costs of developing the Eastern Link Road (South) as well as provision of land for a new primary school.

Members raised and discussed the following points:

- The impact on the Education Service to ensure that there were sufficient school places and so any shortfall in Education Contributions would require mitigations to be found. Members were encouraged by the mitigations as set out in the report. Mr Ambrose highlighted to that if the mitigations didn't close the funding gap this would need to be covered by the Council as a statutory duty.
- The development was critical as part of the link road development to help alleviate pressure on the roads in Aylesbury.

- The £204m Housing Infrastructure Fund (HIF) bid would allow the Council to unlock areas for development as the project moved forward.
- Members recognised the concerns of residents and the need to ensure the right infrastructure was in place.

Recommendations

Cabinet were asked to consider the proposals and the associated risks set out in the report and to AGREE:

- 1. The delivery of the Aylesbury Link Road and Employment Enterprise Zone through a £4.6m reduction in education contribution on the Woodlands development**
- 2. The strategy outlined in the report to mitigate the shortfall in education contribution including a viability review mechanism, seeking alternative sources of funding and developing a cost effective infrastructure procurement framework.**

RESOLVED: Cabinet AGREED the recommendations.

12 DATE OF THE NEXT MEETING

18 June 2018

**MARTIN TETT
LEADER OF THE COUNCIL**